



Municipalities building a  
stable insurance future.

125 East Court Street  
Ithaca, NY 14850  
607-274-5590  
INFO: [consortium@twcny.rr.com](mailto:consortium@twcny.rr.com)  
[www.tompkins-co.org/healthconsortium](http://www.tompkins-co.org/healthconsortium)

Approved 6-6-2012

**MINUTES**  
**Greater Tompkins County Municipal Health Insurance Consortium**  
**Joint Committee on Plan Structure and Design**  
**April 5, 2012 – Noon**  
**Old Jail Conference Room**

***Present:***

***Municipal Representatives: 9 members***

Betty Conger, Village of Groton; Schelley Michell Nunn, City of Ithaca (arrived at 12:10 p.m.); Mary Mills, Village of Cayuga Heights; Herb. Masser, Town of Enfield; Don Barber, Town of Caroline and Chair, Board of Directors; Jennifer Case, Town of Dryden; Laura Shawley, Town of Danby; Judy Drake, Town of Ithaca; Brooke Jobin, Tompkins County (arrived at 12:08 p.m.)

***Union Representatives: 10 unit members***

Chantalise DeMarco, County White Collar-CSEA; George Apgar, President; Ithaca Professional Fire Fighters Assoc. and Ithaca Area Fire Fighters #73; John Licitra, Town of Ithaca DPW Teamsters; Michael Thomas, City of Ithaca Admin. Unit – CSEA 1000 (arrived at 12:20 p.m.); Patricia Vandebogart, TC3 CSEA Staff Unit; Jim Bower, Bolton Point; Bradley Berggren, Town of Danby Highway CSEA; Chris Parker, Tompkins County Blue Collar Unit; Tim Logue, City of Ithaca Executive Unit;

***Municipal Representatives/Union Representatives via Proxy: none***

***Others in attendance:***

Steve Locey, Locey & Cahill; Sharon Dovi, TC3; Ken Foresti, Excellus; Scott Futia and Phil Lope, CSEA Health Benefits Department

**Call to Order**

Ms. DeMarco called the meeting to order at 12:05 p.m.

**Report from Steve Locey**

Mr. Locey shared information concerning the current Prescription Benefit Manager (PBM) for the Consortium, Medco, and the acquisition of Medco by Express Scripts. He said everything has been approved for the merger and he doesn't know what the actual impact will be but has been assured that at least initially nothing will change. He said as with any merger he anticipates they will go through some internal changes and consolidation of services.

He distributed a memorandum that will be sent to the two finalists from the PBM Request for Proposals asking for additional pricing information based on a number of pharmacies that are utilized in this area, updated reference information, and updated rebating schedules. They are being asked to respond by April 27<sup>th</sup>. At that point another analysis of the proposals will be done and the Review Committee will continue its work to prepare a recommendation for entering into a multi-year agreement effective January 1, 2013.

**Update on Medicare Supplement**

Mr. Locey did not have an update at this time; this item will be included on the next agenda.

Mr. Futia asked if it the Consortium's goal is to have all those who are Medicare eligible carved out into a supplement. Mr. Locey said that has not been discussed. The Consortium has been looking at a lower-cost alternative, particularly for smaller employees because of those people not being able to afford the contribution coverage. He also stated the Consortium has not looked at covering the full Medicare population in a Medicare Advantage-type of program.

Mr. Locey reported on an e-mail that was received in which a concern was raised regarding the Flexible Spending Account Request for Proposals and the retiree population. The concern expressed was any exposure under a Flexible Spending Account program would result in being a shared expense among all Consortium members and ultimately impact premiums. He said the way these programs are currently set up and are intended to be set up in the future is that the ancillary programs are set up to be stand alone with the cost of program to be borne by the participants in that program. With regard to a Flexible Spending Account, the costs for operating the program would be the responsibility of the employers and the contributions would come from employees. It is not the intent of the Board of Directors to absorb these costs into the premium equivalent rate for health insurance costs. They were brought forward with the goal of reducing administrative costs to a rate that would be more affordable to everyone. A response will be prepared to the individual who sent the e-mail and it will also be shared with members.

**Discssion of CanaRx**

Mr. Locey said there has not been a clear response from the Insurance Department. The County and TC3 are the only employers in the Consortium that currently offer this. If this is something that will be pursued for the Consortium there will need to be discussion of how to pay for it. He also noted the integration between the PBM and CanaRx would be critical to it moving forward. This will be included on the next agenda; prior to that meeting Mr. Locey will reach out to CanaRx for updated pricing information

**Update on Request for Proposals for EAP and Flex Spending Account Programs**

Mr. Locey reported the RFP for Flexible Spending Account services was issued on April 2, 2012, and distributed a list of providers the RFP was sent to. They will be sending out an addendum to clarify health reimbursement arrangements. He anticipates the RFP for the Employee Assistance Program will be released in May. *He will share the list of which vendors it is being sent to with the Committee.*

**Appointment of RFP Review Committee for the Employee Assistance Program**

It was MOVED by Ms. Conger, seconded by Ms. VandeBogart, and unanimously adopted by voice vote by members present, to appoint the following members to the RFP/EAP Review Committee:

Herb Masser, Sharon Dovi, Brooke Jobin, Schelley Michell Nunn or designee, and Chantalise DeMarco

Appointment of Review Committee for the Flexible Spending Account Program

It was MOVED by Ms. Mills, seconded by Ms. Conger, and unanimously adopted by voice vote by members present, to appoint the following members to the RFP/EAP Review Committee:

Sharon Dovi, Brooke Jobin, Schelley Michell Nunn or designee, and Judy Drake

Approval of Minutes

It was MOVED by Ms. Mills, seconded by Ms. Conger, and unanimously adopted by voice vote by members present, to approve the following sets up minutes as corrected:

October 13, 2011  
November 3, 2011  
December 8, 2011  
January 12, 2012  
February 2, 2012  
March 1, 2012

Excellus Upgrade

Mr. Foresti announced April is National Advanced Care Planning Month and distributed a brochure with information and a printout showing where the information can be accessed on the web portal. He extended an offer to send posters or other informational items to members upon request. Questions were raised concerning up system upgrade; Mr. Foresti said Ms. Miller will address those questions at the next meeting.

New Business

Mr. Barber reported the Consortium has a year “under its belt” and provided a financial update. Mr. Locey has prepared the year-end report and it shows the Consortium’s net worth is about the same as it was at the beginning of the year and this is where the Consortium was expected to be. This is based on actual claims data and an actuary determining the actual but not reported. A question has been raised to the State Insurance Department about the amount needed for the IBNR (Incurred But Not Reported) Reserve. The actuary is saying what the Consortium needs is much less than the amount set by the Insurance Department.

Mr. Apgar said at the last meeting there was discussion of the Blue 365 Plan and whether health clubs in this area will become participants. Mr. Foresti said the website is down at this time; he will let the Committee know as soon as information becomes available.

Mr. Locey said the year-end report will be posted on the Consortium’s website.

Mr. Barber spoke of patient centered medical homes and said there are several physicians in Tompkins County who are certified at level three of patient centered medical homes. This is a process being encouraged by the Federal government and many in the health care industry because a doctor’s office spends more time with a patient. He asked that this be added to an upcoming agenda and will ask someone to come to the meeting to explain it. He said the outcomes often cost less than current health care and would like employees to learn about this and would like discussion to begin at this Committee. This item will be added to the May agenda.

Board of Directors  
April 5, 2012

**Adjournment**

The meeting adjourned at 12:55 p.m.

Respectfully submitted by Michelle Pottorff, Administrative Clerk